

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF GAS COST ADJUSTMENT)	
FILING OF BURKESVILLE GAS)	CASE NO. 90-290-B
COMPANY, INC.)	

O R D E R

On October 28, 1992, the Commission issued its Order in Case No. 90-290 requiring Burkesville Gas Company, Inc. ("Burkesville") to file a quarterly gas cost adjustment clause to ensure that its rates reflect its most current cost of gas.

On January 24, 1994, Burkesville filed its quarterly gas cost adjustment ("GCA"), which is proposed to become effective for the calendar quarter beginning February 1, 1994, to remain in effect until May 1, 1994.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Burkesville's notice of January 24, 1994 set out certain revisions in rates which Burkesville proposed to place into effect, said rates being designed to pass on to its customers its wholesale decrease in gas cost from its suppliers. Burkesville miscalculated its expected gas cost ("EGC") by unnecessarily converting Mcf volumes to dekatherms. Burkesville's EGC should be \$4.053 per Mcf, a decrease of 14.6 cents per Mcf.

2. Burkesville's notice set out no refund adjustment.

3. Burkesville's notice set out no current quarter actual adjustment. This adjustment will be unavailable to Burkesville until its filing for rates proposed to be effective May 1, 1994 is approved.

4. The combined effect of the above adjustments is Burkesville's corrected gas cost recovery rate ("GCR") in the amount of \$4.053 per Mcf, which is a decrease of 14.6 cents per Mcf from its last approved rates.

5. Burkesville's adjustment in rates, set out in the Appendix to this Order, pursuant to the GCA provisions approved by the Commission in its Order in Case No. 90-290 dated October 28, 1992, is fair, just, and reasonable, in the public interest, and should be effective with service rendered on and after February 1, 1994.

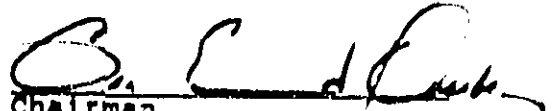
IT IS THEREFORE ORDERED that:

1. The rates in the Appendix, attached hereto and incorporated herein, are fair, just, and reasonable and are approved effective with service rendered on and after February 1, 1994.

2. Within 30 days of the date of this Order, Burkesville shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 25th day of February, 1994.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 90-290-A DATED FEBRUARY 25, 1994.

The following rates and charges are prescribed for the customers served by Burkesville Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

RATES:

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
Residential	\$3.524	\$4.199	\$7.723
Industrial	2.524	4.199	6.723